

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
CARNEGIE PUBLIC LIBRARY OF STEUBEN COUNTY
STEUBEN COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
03/15/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Sonya Dintaman	01-01-05 to 12-31-07
Treasurer	Gary Taylor	01-01-05 to 12-31-07
President of the Board	David Police Steven Shatto	01-01-05 to 12-31-06 01-01-07 to 12-31-07



STATE OF INDIANA

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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CARNEGIE PUBLIC LIBRARY
OF STEUBEN COUNTY, STEUBEN COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of the Carnegie Public Library of Steuben County (Library), for the period of January 1, 2005 to December 31, 2006. The Library's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Library for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

March 1, 2007

CARNEGIE PUBLIC LIBRARY OF STEUBEN COUNTY
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 66,308	\$ 875,097	\$ 830,284	\$ 111,121
Gift	337	22	-	359
Restricted Gift	3,065	7,212	7,286	2,991
Step Ahead	644	-	289	355
Special Projects	265	-	-	265
Bond and Interest Redemption	3,334	548,722	435,191	116,865
Library Improvement Reserve	6,512	462,581	284,715	184,378
Library Capital Projects	1,002	136,150	32,267	104,885
Construction	5,720	20,147	24,791	1,076
Book Buddies	186	1,202	571	817
Fiduciary Funds:				
Payroll	68	81,515	81,388	195
PLAC	156	337	465	28
Student Deposit	1,620	150	680	1,090
Rent Deposit	1,200	-	650	550
Totals	<u>\$ 90,417</u>	<u>\$ 2,133,135</u>	<u>\$ 1,698,577</u>	<u>\$ 524,975</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 111,121	\$ 862,607	\$ 902,618	\$ 71,110
Gift	359	3	26	336
Restricted Gift	2,991	22,861	20,380	5,472
Step Ahead	355	-	45	310
Special Projects	265	-	-	265
Bond and Interest Redemption	116,865	290,133	264,646	142,352
Library Improvement Reserve	184,378	91,062	85,000	190,440
Library Capital Projects	104,885	77,904	30,000	152,789
Construction	1,076	-	1,076	-
Book Buddies	817	113	110	820
Technology Grant	-	3,600	3,600	-
Fiduciary Funds:				
Payroll	195	75,571	75,571	195
PLAC	28	248	245	31
Student Deposit	1,090	120	90	1,120
Rent Deposit	550	-	-	550
Totals	<u>\$ 524,975</u>	<u>\$ 1,424,222</u>	<u>\$ 1,383,407</u>	<u>\$ 565,790</u>

The accompanying notes are an integral part of the schedules.

CARNEGIE PUBLIC LIBRARY OF STEUBEN COUNTY
NOTES TO SCHEDULES

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: culture and recreation and general administrative services.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Long-Term Debt

The Library has entered into debt for renovation of the library. The outstanding principal at December 31, 2006, was \$2,965,000.

CARNEGIE PUBLIC LIBRARY OF STEUBEN COUNTY
EXAMINATION RESULT AND COMMENT

COMPENSATION AND BENEFITS

A comparison of the hourly wage paid to an employee of the library's children's department to the corresponding rate allowed in the salary resolution indicates that the employee was underpaid in 2005 and 2006 by \$.50 per hour.

The starting wage rate for employees of the library's children's department was not indicated in the salary resolution.

All compensation and benefits paid to officials and employees must be included in the labor contract, salary ordinance, resolution or salary schedule adopted by the governing body unless otherwise authorized by statute. Compensation should be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Libraries, Chapter 4)

CARNEGIE PUBLIC LIBRARY OF STEUBEN COUNTY
EXIT CONFERENCE

The contents of this report were discussed on March 1, 2007, with Sonya Dintaman, Director. The official response has been made a part of this report and may be found on page 8.

Carnegie Public Library of Steuben County

322 South Wayne Street * Angola, IN 46703 * 260-665-3362 * Fax 260-665-8958

March 7, 2007

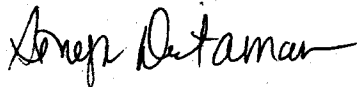
Bruce Hartman
State Board of Accounts
302 W. Washington St.
Indianapolis, IN 46204

Re: 2007 audit comments

When entering the 2005 salary increases into the Computrain accounting system, an error was made on Robyne Spillers' record. For all of 2005 and 2006 she was underpaid by \$.50 per hour. She was paid back wages for this error on March 2, 2007 and her hourly wage has been corrected. We will double check for accuracy when entering wage increases in the future.

Also at the beginning of 2005, our salary ordinance listed the starting wage at \$7.35, but did not include that the starting wage for the children's department is \$8.00. We will include both levels of starting wage on future salary resolutions.

Sincerely,



Sonya Dintaman
Director